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FISCAL IMPACT STATEMENT

LS 6196

BILL NUMBER: HB 1210

NOTE PREPARED: Apr 30, 2009

BILL AMENDED: Apr 29, 2009

SUBJECT: Psychiatry Development Programs.

FIRST AUTHOR: Rep. Brown C

FIRST SPONSOR: Sen. C. Lawson

BILL STATUS: Enrolled

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
FEDERAL

IMPACT: State

Summary of Legislation: This bill: (1) creates the Mental Health Services Development Program to provide incentives to attract psychiatrists, psychologists, psychiatric nurses, and public sector psychiatrists to practice in Indiana;

(2) creates the Mental Health Services Development Programs Board to administer the Mental Health Services Development Program;

(3) creates the Mental Health Services Loan Forgiveness Account and the Public Sector Psychiatry Development Program Account within the state General Fund to provide funding for the programs;

(4) requires the Mental Health Services Development Programs Board to develop a public sector psychiatry residency tracking program;

(5) establishes the Mental Health Corrections Quality Advisory Committee;

(6) creates a multi-agency task force on workforce development issues relating to individuals with mental health and addictions issues;

(7) provides for the closing of a juvenile proceeding during the testimony of health care providers and certain other providers;

(8) establishes the Primary Care Physician Loan Forgiveness Program and the Primary Care Physician Loan Forgiveness Fund; and

(9) specifies qualifications to receive a student loan forgiveness payment from the Primary Care Physician Loan Forgiveness Fund.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Creation of Boards, Committees, and Task Forces:* The bill creates (1) the Mental Health Services Development Programs Board, (2) the Mental Health Corrections Quality

Advisory Committee, and (3) the Workforce Development Task Force for Mental Health and Addiction.

(1) The purpose of the Mental Health Services Development Programs Board is to establish and oversee (A) a loan forgiveness program that is designed to attract psychiatrists, psychologists, and psychiatric nurses to the state, and (B) the Mental Health Services Programs that consists of both the Public Sector Psychiatry Development Program and Resident Training Track Program. Board members are entitled to reimbursement for travel expenditures and any expenditures associated with serving on the Board, but not per diem. State expenditures will depend on the distance traveled by Board members and any expenses incurred as a result of serving on the Board.

(2) The Mental Health Corrections Quality Advisory Committee is required to advise the Department of Correction (DOC) and make recommendations concerning the Department's medication formulary for mental health and addictive disorders. The Committee consists of seven members, two of whom are state employees. The bill is silent on per diem and travel reimbursement for Committee members.

(3) The Workforce Development Task Force for Mental Health and Addiction is charged to study issues concerning individuals with mental illness. The Task Force consists of 21 members and is staffed by the Division of Mental Health and Addiction (DMHA). These provisions will increase the workload of DMHA to staff the Task Force.

Creation of Accounts and Funds: The bill creates three different accounts that will be used to attract health care providers to the state: the Primary Care Physician Loan Forgiveness Fund (PCPLFF), the Mental Health Services Loan Forgiveness Account, and the Public Sector Psychiatry Development Account.

Funding from the PCPLFF would be used for loan forgiveness of qualified primary care physicians. A loan forgiveness payment would equal the lesser of either the balance of a physician's student loan total or \$5,000. It is unknown how many qualified physicians would apply to the PCPLFF for relief of student loans. The bill would allow money in the PCPLFF to be used for administration of the PCPLFF. The PCPLFF would consist of General Assembly appropriations and gifts to the fund. The impact to state expenditures would depend on the level of appropriations and gifts to the PCPLFF.

The Mental Health Services Development Programs Board is to administer both the Mental Health Services Loan Forgiveness Account and the Public Sector Psychiatry Development Account. The purpose of the Mental Health Services Loan Forgiveness Account is to provide grants for loan repayment under the Mental Health Services Development Program. The purpose of the Public Sector Psychiatry Development Account is to provide funding for the Public Sector Psychiatry Development Program. Money in the account is to be used to fund psychiatry residency positions, which can include educational expenses, grants, scholarships, salaries, and benefits. These accounts are established within the General Fund and are to consist of appropriations, grants, gifts, and bequests.

Medical Education Board: The Medical Education Board (MEB) would be required to annually provide to the State Student Assistance Commission of Indiana (SSACI) the number of primary care physician medical residents serving in Indiana.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DMHA, State Department of Health, Treasurer of State, DOC, SSACI; MEB.

Local Agencies Affected:

Information Sources: Dennis Jones, IUPUI; Cathy Boggs, DMHA; Jessica Turner-Stults, FSSA; Budget Agency Auditor's Data; *State of Indiana List of Appropriations Made by the 2007 Indiana General Assembly for the Biennium July 1, 2007, to June 30, 2009.*

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